INSTRUCTIONS:

Fill in this information first

INSTRUCTIONS:

Remember this information first

1.	Change years applicable	2008 2007
2.	Never use cents on the financial statements	
5.	Year-end	30 JUNE 2007 30 JUNE 2008
6.	Name of company in capital letters	SIYATHEMBA LOCAL M
7.	Registration number	
8.	Adjust only the wording in the detailed I/S. This will automatically draw to the upper I/S.	
9.	Make changes to the writing in red	
10.	Do a spell check	
11.	This template contains only information that is normally applicable to trust financial statements. If there are other items please refer to the template for company financial statements.	
12.	"BTW" is part of "Bedrae ontvangbaar of Bedrae betaalbaar"	
13.	Remember the "ouditverslag" must be a Word document.	

SIYATHEMBA LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 JUNE 2008

SIYATHEMBA LOCAL MUNICIPALITY

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FOR THE YEAR ENDED 30 JUNE 2008

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GENERAL INFORMATION

Grading of the Municipality	Medium Capacity
Registered address	Victoria Street Prieska 8940
Postal address	P. O. Box 16 Prieska 8940
Auditors	The Auditor - General
Bankers	ABSA Bank

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these financial statements, which are set out on page 3 to 28, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 14 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Goverment's determination in accordance with this Act.

Municipal Manager
GJ BESSIES

Date

MAYOR

Mrs E Nell

SPEAKER

Mrs E Nell

MEMBERS OF THE COUNCIL

A Faro
S Berends
J Gous
K Yola
GP Mackay
NJ Burger
J Phillips

SIYATHEMBA LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2008

	Notes	**2008** **R**	2007 R
NET ASSETS AND LIABILITIES			
Net assets		**114 457 947**	123 244 588
Capital Replacement Reserve	1		
Government Grant Reserve	1	**-**	-
Trust fund		**-**	-
Accumulated Surplus/(Deficit)		**114 457 947**	123 244 588
Non-current liabilities			
Long - term liabilities	2	**206 067**	1 458 841
Current liabilities		**9 141 803**	7 430 951
Current provisions	4	**629 839**	629 839
Creditors	3	**4 538 006**	3 254 932
Unspent conditional grants and receipts	5	**1 787**	585 140
Bank overdraft	12	**2 713 182**	1 864 339
Current portion of long-term liabilities	2	**1 258 989**	1 096 701
Total net assets and liabilities		**123 805 817**	132 134 380
Assets			
Non-current assets		**121 625 226**	125 261 060
Property, plant and equipment	6	**118 973 091**	122 782 453
Investments	7	**2 516 882**	2 281 005
Long - term receivables	8	**135 253**	197 601
Current assets		**2 180 591**	6 873 320
Inventory	9	**176 536**	192 017
Consumer debtors	10	**1 416 467**	6 074 569
Other debtors	11	**576 538**	545 181
Current portion of long-term debtors	8	**9 790**	60 293
Bank and cash		**1 260**	1 260
Total assets		**123 805 817**	132 134 380

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2008

	Notes	**2008** **R**	2007 R
Revenue			
Property rates	19.1	**3 974 855**	3 422 589
Property rates - penalties imposed and collection charges	19.1	**91 189**	-
Service charges	19.2	**13 402 651**	12 971 161
Rental of facilities and equipment		**435 826**	475 892
Interest earned - external investments		**147 958**	-
Interest earned - outstanding debtors		**497 817**	310 340
Fines		**60 620**	37 630
Licences and permits		**751 347**	349 037
Government grants and subsidies	13	**12 242 992**	6 933 774
Other income	19.3	**150 156**	126 166
Public contributions and donations		**-**	-
Interdepartmental Charges		**-**	1 982 812
Total Revenue		**31 755 411**	26 609 402
EXPENDITURE			
Employee related costs	14	**12 499 191**	11 024 958
Remuneration of Councillors	15	**939 291**	764 649
Bad debts		**-**	-
Collection costs		**-**	-
Depreciation	6	**9 463 193**	9 790 156
Repairs and maintenance		**1 788 922**	646 801
Interest paid		**403 137**	117 057
Bulk purchases	19.4	**3 134 483**	3 076 133
Contracted services		**-**	-
Grants and subsidies paid		**-**	-
General expenses	19.5	**14 087 920**	9 103 423
Loss on disposal of property, plant and equipment		**-**	-
Total Expenditure		**42 316 137**	34 523 177
SURPLUS/(DEFICIT) FOR THE YEAR		**(10 560 726)**	(7 913 775)

Refer to Appendix D(1) for the comparison with the approved budget

SIYATHEMBA LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2008

	Pre-GAMAP/GRAP Reserves and Funds	Capital Replacement Reserve	Government Grant Reserve	Accumulated Surplus/(Deficit)	TOTAL
2007					
Balance at 30 June 2007	-	-	-	123 232 089	123 232 089
Implementation of GAMAP/GRAP note 25	-	-	-	5 647 846	5 647 846
Restated Balance at 30 June 2007	**-**	**-**	**-**	**128 879 935**	**128 879 935**
Surplus/(deficit) for the year				(10 560 726)	(10 560 726)
Capital grants used to purchase PPE					-
Donated/contributed PPE					-
Offsetting of depreciation					-
					-
2008					
Correction of error (Note 25.8)				1 786 584	1 786 584
					-
Restated balance					-
Surplus/(deficit) for the year					-
Capital grants used to purchase PPE					-
Donated/contributed PPE					-
Asset disposals					-
Offsetting of depreciation				-	-
Balance at 30 June 2008				**120 105 793**	**120 105 793**

SIYATHEMBA LOCAL MUNICIPALITY

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	Notes	**2008** **R**	2007 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers,government and others		**31 755 411**	26 609 402
Cash paid to suppliers and employees		**27 465 333**	21 284 897
Cash generated from / (required by) operating activities	23	**4 290 078**	5 324 505
Interest received		**497 817**	**310 340**
Interest paid		**(403 137)**	**(117 057)**
NET CASH FROM OPERATING ACTIVITIES		**4 384 758**	5 517 788
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on disposal of property, plant and equipment		-	-
Proceeds from rental of facilities and equipment		435 826	475 892
Purchase of property, plant and equipment		(4 392 913)	(5 505 486)
Increase in non current investments		(235 877)	(31 474)
Decrease in long term receivables		62 348	123 686
NET CASH FROM INVESTING ACTIVITIES		**(4 130 616)**	(4 937 382)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of capital element of interest bearing borrowings		(1 090 486)	(999 260)
New loans raised/(repaid)		**-**	-
NET CASH FROM FINANCING ACTIVITIES		**(1 090 486)**	(999 260)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		**(836 344)**	(418 854)
Balance at the beginning of the year		(1 875 578)	(1 456 724)
Balance at the end of the year		(2 711 922)	(1 875 578)
		(4 384 758)	(5 517 788)

1 PRINCIPAL ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The annual financial statements have prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of General Notice 991 and 992 of 2005.

In accordance with section 122(3) of the Municipal Finance Management Act (Act No. 56 of 2003), the Municipality has adopted Standards of GAMAP and GRAP issued by the Accounting Standards Board during the financial year, with the exception of ….

GAMAP and GRAP standards are fundamentally different to the fund accounting policies adopted in previous financial years.
Comparative amounts have been restated retrospectively to the extent possible. The effect of the change in accounting policy arising from the implementation of GAMAP and GRAP is set out in Note 30.

Exemption from complying with …… was obtained from the Minister of Finance until ….. (date).
The Municipality may have transactions, events or balances that are outside the ambit of GAMAP and GRAP but which are included in Standards of International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants – Public Sector Committee, International Accounting Standards (IAS) issued by the International Accounting Standards Board or Generally Accepted Accounting Practice issued by the South African Accounting Practices Board and the South African Institute of Chartered Accountants. The Municipality has not complied with the measurement, recognition and disclosure requirements of those accounting standards.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.
Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP or GRAP.

These standards are summarised as follows:

GRAP 1	Presentation of financial statements
GRAP 2	Cash flow statements
GRAP 3	Accounting policies, changes in accounting estimates and errors
GAMAP 4	Effects of changes in foreign exchange rates
GAMAP 9	Revenue
GAMAP 7	Accouting for investments in associates
GAMAP 8	Financial reporting of interests in joint ventures
GAMAP 12	Inventories
GAMAP 17	Property, plant and equipment
GAMAP 19	Provisions, contingent liabilities and contingent assets

A summary of accounting policies, which have been consistently applied, are disclosed below.

Asset, liabilities, revenues and expenses have not been offset except when offesetting is required by a Standard of GAMAP and GRAP.

1.2 **PRESENTATION CURRENCY**

The annual financial statements are presented in South African Rand.

1.3 **GOING CONCERN ASSUMPTION**

These financial statements have been prepared on a going concern basis.

1.4 **RESERVES**

1.4.1 Capital Replacement Reserve

In order to finance the provision of infrastructure and other items of property,plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR. A corresponding amount is transferred to a designated CRR bank or investment account. The cash in the designated CRR bank account can be utilised only to finance items of property,plant and equipment. The CRR is reduced by a corresponding amount when amounts in the CRR are utilised.

The amount tranferred to the CRR is based on the municipality's need to finance future capital projects included in the Intergrated Development Plan.

1.4.2 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from accumulated surplus/(deficit) to the Goverment Grant Reserve equal to the Goverment Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Goverment Grant Reserve to accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the estimated useful lives of the items of property, plant and equipment are offset by transfers from this Reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment financed from government grant are disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

1 **PRINCIPAL ACCOUNTING POLICIES**

1.5 **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment, is stated at cost, less accumulated depreciation, except land and buildings, which are revalued as indicated below. Heritage assets, defined as culturally significant resoureces, are not depreciated owing to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life

Depreciation is calculated on cost, using the straight-line method over the estimated useful life of the assets. The annual depreciation rates are based on the following estimated asset lives.

	Years
Community Assets	
Recreational Facilities	30
Other assets	
Office equipment	3-10
Furniture & fittings	3-10
Plant & equipment	3-10
Motore vehicles	5

1 PRINCIPAL ACCOUNTING POLICIES

1.6 INVESTMENTS

1.6.1 Financial Instruments

Financial Instruments which include fixed deposits and short term deposits invested in registered commercial banks, are stated at cost

1.6.2 Investment in Municipal Entities

Investment in municipal entities under the ownership control of the Municipality are carried at cost. Separate consolidated financial statements are prepared to account for the Municipality's share of net assets and post acquisition results of these investments.

1.7 LEASES

Leases are classified as finance leases where substantially all risks and rewards associated with the ownership of an asset are transferred to the municipality.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due.

Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and corresponding liabilities are raised. The cost of the item of property, plant and equipment is depreciated at appropriated rates on the straight line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred

1.8 INVENTORIES

Consumabe stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the first-in, first-out method.

1.9 ACCOUNTS RECEIVABLE

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

1.10 TRADE CREDITORS

Trade creditors are stated at their nominal value.

1 **PRINCIPAL ACCOUNTING POLICIES**

1.11 **REVENUE RECOGNITION**

1.11.1 Revenue from rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Interest on unpaid rates is recognised on a time proportion basis.

1.11.2 Revenue from the sale of goods is recognised when the risk is passed to the consumer

1.11.3 Revenue arising from the application of the approved tariff of charges is generally recognised when the relevant service is rendered.

1.11.4 Interest and rental are recognised on a time proportion basis.

1.11.5 Government grants are recognised as revenue when all conditions associated with the grant have been met. Where grants have been received but the municipality has not met the condition, a liability is raised.

1.11.6 Amounts received from government and donors for the purpose of acquiring item of property, plant and equipment are also recognised as revenue in terns of paragraph 1.2.3 above.

1.12 **CONDITIONAL GRANTS AND RECEIPTS**

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met , a liability is recognised.

1.13 **PROVISIONS**

Provsions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing Council.

1.14 **CASH AND CASH EQUIVALENTS**

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

1.15 **UNAUTHORISED EXPENDITURE**

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of an allocation received from another sphere of government, municipaty or organ of state and expenditure in the form of a grant that is not permitted in terms of Municipal Finance Management Act(No. 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1 **PRINCIPAL ACCOUNTING POLICIES**

1.16 **IRREGULAR EXPENDITURE**

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act(No 56 of 2003), the Municipal Systems Act(No. 32 of 2000), the Public Office Bearers Act(No 30 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Perfomance and where recovered, it is subsequent accounted for as revenue in the Statement of Financial Performance.

1.17 **FRUITLESS AND WASTEFULL EXPENDITURE**

Fruitless and wastefull expenditure is expenditure that was made in vain and would have been avoided had reasonable care been excercised. Fruitless and wastefull expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

1.18 **RETIREMENT BENEFITS**

The municipality provides retirement benefits for its employees and councillors. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable. The defined benefits funds, which are administered on a provincial basis, are actuarially valued trennially on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

		2008	2007
		R	R
1	**RESERVES**		
	Capital Replacement Reserve	-	-
	Government Grant Reserve	-	-
	Trust fund		-
	Total Reserves	-	-
2	**LONG TERM LIABILITIES**		
	External loans	**1 465 056**	2 555 542
	Less: Current portion tranferred to current liabilities	**(1 258 989)**	(1 096 701)
	Total External Loans	**206 067**	1 458 841

Refer to Appendix A for more detail on long-term liabilities.

3	**CREDITORS**		
	Trade Creditors	**2 133 013**	1 647 114
	Niekerkshoop Stormwater	**771 788**	-
	SARS Vat	**992 248**	702 233
	FMG Grant	**85 064**	-
	Msig Grant	**156 000**	-
	Consumer Deposits	**299 700**	265 791
	Deposits (Keys,Posters,City Hall)	**5 957**	2 398
	Salary Control	**-**	549 106
	Suspense Account - Medical Contributions	**4 686**	3 289
	Other Creditors	**89 550**	85 000
		-	-
	Total Creditors	**4 538 006**	3 254 932
4	**CURRENT PROVISIONS**	**629 839**	629 839
	Provision for leave pay	**629 839**	629 839
	At the beginning of the year	**629 839**	212 910
	Contribution during the year	**-**	416 929
	Leave paid out during the year	**-**	-
5	**UNSPENT CONDITIONAL GRANTS AND SUBSIDIES**		
	Niekerkshoop Behuising	**(53 722)**	178 698
	Lotto Funds	**(17 628)**	101 245
	Feasibility Studies	**-**	-
	District Aids Grant (Feasibility Study.)	**73 137**	305 198
	Provincial LED Projects	**-**	-
	Spatial Development Framework Grant	**-**	-
	Total (Transferred to Creditors)	**1 787**	585 141

		2008	2007
		R	R

6 **PROPERTY, PLANT AND EQUIPMENT**

Reconciliation of carrying value	**Community Assets**	**Other Assets**	**Total**
	R	**R**	**R**
1 July 2006			
Cost	78 462 727	92 622 834	171 085 561
Accumulated depreciation	25 600 150	22 702 958	48 303 108
Carrying value 30 June 2007	52 862 577	69 919 876	122 782 453
Acquisitions	-	**4 392 913**	**4 392 913**
Depreciation	**4 616 048**	**4 847 145**	**9 463 193**
Disposal	**(109 563)**	-	**(109 563)**
Write-offs	**(1 370 481)**	-	**(1 370 481)**
Carrying value 30 June 2008	**49 507 447**	**69 465 644**	**118 973 091**

7 **INVESTMENTS**

Fixed Deposits	**2 516 882**	2 281 005
Other Deposits	-	-
Total Cash Investments	**2 516 882**	2 281 005
Absa - Acc.no.90 8560 2995 - Revolvingfund Investment	**2 382 773**	-
Absa - Acc.no.91 5884 5288 - Niekerkshoop Housing Investment	**2 138**	-
Absa - Acc.no.20 6645 1936 - Motor & Housingloans Investment	**37 874**	-
Absa - Acc.no.92 0404 6778 - Feasibility Study Investment	**94 097**	-
	2 516 882	-

8 **LONG TERM RECEIVABLES**

Car loans	-	104 801
Housing loans	**145 043**	153 093
Less: Current portion transferred to current receivables	**(9 790)**	(60 293)
	135 253	197 601

CAR LOANS

Before the enactment of the MFMA senior staff were entitled to car loans and housing loans which attracted interest at 9.75 to 16.05% per annum and which were repayable over a maximum period of 20 years. The last loan will be repayable in the year 2023.

		2008	2007
		R	R
9	**INVENTORY**		
	Consumable stores	176 536	192 017
10	**CONSUMER DEBTORS**		-

As at 30 June 2008	**Gross Balances**	**Provision for Bad Debts**	**Net Balance**
Service Debtors			
Rates	5 265 306	**4 947 922**	317 384
Electricity	372 900	**204 357**	168 543
Water	3 085 051	**2 333 487**	751 564
Other	3 693 210	**3 514 234**	178 976
TOTAL	12 416 467	11 000 000	1 416 467

As at 30 June 2007	**Gross Balances**	**Provision for Bad Debts**	**Net Balance**
Service Debtors			
Rates	4 559 672	**1 810 367**	2 749 305
Electricity	419 620	**166 606**	253 014
Water	2 306 760	**915 875**	1 390 885
Other	2 788 517	**1 107 152**	1 681 365
TOTAL	10 074 569	4 000 000	6 074 569

	2008	2007
	R	R
Rates: Ageing		
Current (0 – 30 days)	**217 643**	179 083
31 - 60 Days	**99 741**	90 838
61 - 90 Days	**106 862**	90 311
91 - 120 Days	**91 249**	4 199 439
121 - 365 Days	**4 749 811**	
+ 365 Days	-	
TOTAL	5 265 306	4 559 671
Electricity, Water and Sewerage & Other: Ageing		
Current (0 – 30 days)	**825 845**	772 310
31 - 60 Days	**271 859**	241 863
61 - 90 Days	**258 598**	246 048
91 - 120 Days	**257 379**	4 254 676
121 - 365 Days	**5 537 480**	
+ 365 Days	-	
TOTAL	7 151 161	5 514 897

Summary of Debtors by Customer Classification 30 June 2008	**Consumers**	**Industrial/ Commercial**	**National and Provincial Government**
	R	**R**	**R**
Current (0 – 30 days)	**741 067**	249 423	52 998
31 - 60 Days	**377 025**	(4 458)	(966)
61 - 90 Days	**361 626**	13 274	(9 439)
91 - 120 Days	**334 021**	(2 270)	16 877
121 - 365 Days	**9 936 109**	168 796	182 385
+ 365 Days			
Sub-total	**11 749 848**	**424 765**	**241 855**
Less: Provision for bad debts	**10 634 211**	166 527	199 262
Total debtors by customer classification	**1 115 637**	**258 238**	**42 593**

Summary of Debtors by Customer Classification 30 June 2007	**Consumers**	**Industrial/ Commercial**	**National and Provincial Government**
	R	**R**	**R**
Current (0 – 30 days)	**691 911**	225 584	33 898
31 - 60 Days	**257 264**	68 673	6 764
61 - 90 Days	**328 094**	6 994	1 271
91 - 120 Days	**8 179 296**	238 417	36 402
121 - 365 Days	**-**	-	-
+ 365 Days	-	-	-
Sub-total	**9 456 565**	**539 668**	**78 335**
Less: Provision for bad debts	**3 754 629**	214 269	31 102
Total debtors by customer classification	**5 701 936**	**325 399**	**47 233**

Reconciliation of the bad debt provision		
Balance at beginning of the year	4 000 000	(3 505 510)
Contributions to provision	7 009 065	7 505 510
Bad debts written off against provision	9 065	-
Reversal of provision	-	-
Balance at end of year	11 000 000	4 000 000

11 **OTHER DEBTORS**

Vat Repayable	**-**	12 499
Meent Huurgelde	**216 912**	216 912
Unpaid Cheques	**299 683**	275 827
Deposit Paid (Sand, GWK,Eskom.)	**59 943**	39 943
Rates - Reconciliation difference	**0**	0
TOTAL	**576 538**	545 181

12 **Current Account (Primary Bank Account)**

ABSA Bank - Public Sector Northern Cape - Brandwag, Bloemfontein
Account number: 4053552997

Cash book balance at beginning of year - (overdrawn)	**1 864 339**	1 457 984
Cash book balance at end of year - (overdrawn)	**2 713 182**	1 864 339
Bank statement balance at beginning of year - (overdrawn)	**1 859 816**	921 734
Bank statement balance at end of year - (overdrawn)	**2 713 155**	1 859 816

		2008	2007
		R	R
13	**GOVERNMENT GRANTS AND SUBSIDIES**		
	Equitable share	**7 542 079**	6 439 584
	Financial Management Grant	**-**	500 000
	MIG Grant	**4 301 723**	4 478 586
	Sport	**120 000**	-
	District Aids Grant	**-**	350 000
	Library	**188 000**	-
	Financial Management Grant(Capital)	**91 190**	-
	Less: Controlled by District Municipality	**-**	(4 834 396)
	Total Government Grant and Subsidies	**12 242 992**	6 933 774

13.1 Equitable Share

Balance unspent at beginning of year	**-**	-
Current year receipts	**7 542 079**	**6 439 584**
Conditions met - transferred to revenue	**(7 542 079)**	(6 439 584)
Conditions still to be met - transferred to current liabilities (see note 5)	**-**	-

The Equitable Share is an unconditional grant and is utilised to assist the local municipalities undertake service delivery

13.2 MIG

Balance unspent at beginning of year	**362 276**	-
Current year receipts	**4 301 723**	4 478 586
Conditions met - transferred to revenue	**(4 663 999)**	(4 116 310)
Conditions still to be met - not stated as District Council are in charge of funds	**-**	362 276

Only asset of R 4 301 723 was brought into account
This grant was used to construct the oxidation ponds in Prieska.

13.3 MSIG

Balance unspent at beginning of year	**-**	-
Current year receipts	**734 000**	-
Conditions met - transferred to revenue	**(578 000)**	-
Conditions still to be met - transferred to liabilities (see note 5)	**156 000**	-

The fund is used to assist the district in building capacity of the local municipalities to perform their functions and stabilise institutional and governance systems as required by the Municipal Systems Act of 2000 .

	2008	2007
	R	R
13.4 Financial Management Grant		
Balance unspent at beginning of year	**327 148**	-
Current year receipts	**500 000**	500 000
Conditions met - transferred to revenue	**(742 084)**	(172 852)
Conditions still to be met - transferred to liabilities (see note 5)	**85 064**	327 148

The grant was allocated by National Treasury to upgrade office equipment and training of personel.

13.5 District Aid Grants		
Balance unspent at beginning of year	350 000	-
Current year receipts	94 098	350 000
Conditions met - transferred to revenue	(370 961)	-
Conditions still to be met - transferred to liabilities (see note 5)	**73 137**	350 000

District Aid Grants was used to do a EIA study (Bosontwikkeling).

13.6 Spatial Development Grant		
Balance unspent at beginning of year	-	-
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities (see note 5)	-	-

13.7 Changes in levels of government grants

Based on the allocations set out in the Division of Revenue Act, (Act of 2006), no significant changes in the level of government grant funding are expected over the forthcoming two financial years.

		2008	2007
		R	R
14	**EMPLOYEE RELATED COSTS**		
	Employee related costs - Salaries and Wages	**7 817 937**	6 602 081
	Employee related costs - Contributions for UIF, pensions and medical aids	**1 895 873**	1 775 797
	Travel, motor car and other allowances	**104 984**	286 504
	Housing benefits and allowances	**80 975**	59 861
	Overtime payments	**328 967**	196 814
	Bonusses	**864 294**	908 273
	Redemption of leave	**-**	-
	Total Employee Related Costs	**11 093 030**	9 829 330
	Remuneration of the Municipal Manager		
	Annual Remuneration	**308 926**	276 036
	Housing Subsidy	**18 000**	18 000
	Travelling Allowance	**123 940**	110 172
	Performance Bonuses	**25 993**	23 003
	Contributions to UIF, Medical and Provident Funds	**39 944**	66 094
	Total	**516 803**	493 305
	Remuneration of the Chief Financial Officer		
	Annual Remuneration	**242 663**	170 988
	Travelling Allowance	**81 517**	77 797
	Performance Bonuses	**15 165**	14 249
	Contributions to UIF, Medical and Provident Funds	**33 263**	54 515
	Total	**372 608**	317 549
	Remuneration of Head: Corporate Services		
	Annual Remuneration	**244 572**	229 800
	Travelling Allowance	**94 028**	78 053
	Performance Bonuses	**20 381**	19 150
	Contributions to UIF, Medical and Provident Funds	**34 025**	57 771
	Total	**393 006**	384 774
	Remuneration of Head: Infrastructure and Technical Services		
	Annual Remuneration	**83 595**	-
	Travelling Allowance	**27 535**	-
	Performance Bonuses	**-**	-
	Contributions to UIF, Medical and Provident Funds	**12 614**	-
	Total (4 Months)	**123 744**	-

		2008	2007
		R	R
15	**REMUNERATION OF COUNCILLORS**		
	Mayor	**148 653**	209 940
	Mayor Cell phone allowance	**13 404**	-
	Mayor Travel allowance	**56 984**	-
	Mayor Back Pay	**3 907**	-
	Councillors	**423 647**	480 491
	Councillors' pension contribution	**-**	74 218
	Councillors' Travel allowance	**149 577**	-
	Councillors' Back Pay	**84 571**	-
	Councillors' Cell phone allowance	**58 548**	-
	Total Councillors' Remuneration	**939 291**	764 649
16	**INTEREST PAID ON EXTERNAL BORROWINGS**		
	External loans	**258 473**	265 064
	Total Interest on External Borrowings	**258 473**	265 064
17	**GRANTS AND SUBSIDIES PAID**		
	Total Grants and Subsidies	**-**	**-**

The Municipality identifies projects which are funded through grants and subsidies in the various local municipalities within the District. Projects are identified through the Integrated Development Plan. The operation and control of items of property, plant and equipment funded through these grants and subsidies vests in the local municipalities.

		2008	2007
		R	R
18	**ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT**		
	Contributions to Local Government Organisation		
	Opening balance	**39 432**	(6 000)
	Current year's contibution	**80 104**	45 432
	Amount paid - current year	**(80 104)**	-
	Amount paid - previous years	**(39 432)**	-
	Balance unpaid	**-**	39 432
	Audit fees		
	Opening balance	**585 416**	403 871
	Current year's contibution	**213 704**	414 716
	Amount paid - current year	**(297 319)**	(233 171)
	Balance unpaid (included in creditors)	**501 801**	585 416
	VAT		
	Opening balance	**(12 499)**	-
	Current year input VAT	**(1 563 551)**	(1 683 288)
	Current year output VAT	**1 690 371**	1 515 245
	Amount paid (received) - previous year and corrections	**-**	155 544
	Balance unpaid (included in creditors)	**114 321**	(12 499)
	PAYE and UIF		
	Opening balance	**108 912**	154 110
	Current year payroll deductions	**1 136 192**	1 137 282
	Amount paid - current year	**(1 136 192)**	(1 182 480)
	Amount paid - previous years	**(108 912)**	-
	Balance unpaid (included in creditors)	**-**	108 912
	Pension and Medical Aid Deductions		
	Opening balance	**307 647**	415 747
	Current year payroll deductions and council contributions	**3 253 602**	2 837 714
	Amount paid - current year	**(3 253 602)**	(2 945 814)
	Amount paid - previous years	**(307 647)**	-
	Balance unpaid (included in creditors)	**-**	307 647

		2008	2007
		R	R
19	**DISCLOSURES IN RESPECT OF SERVICES**		
	19.1.Property Rates	**3 974 855**	-
	Penalties Property Rates	**91 189**	-
	19.2.Service Charges	**13 402 651**	-
	19.3.Other Income	**150 156**	-
	19.4.Bulk Purchases		
	Electricit	**3 027 742**	-
	Water	**106 741**	-
		3 134 483	-
	19.5.General Expenses	**14 087 920**	-

20 **RETIREMENT BENEFIT INFORMATION**

The personnel are members of the Cape Joint Retirement Fund or the SAMWU Provident Fund or the National Fund for Municipal Workers or SALA. According to recent actuarial valuations all funds reflected an actuarial surplus. The council's and members contribution to the abovementioned funds for the financial year amounted to R2 105 718 (2006/2007 R1 872 297).

The concillors are members of the Municipal Councillors Pension Fund. The council's and members contribution to the fund for the financial year amounted to R 43 433 (2006/2007 R 45 634).

21	**CONTINGENT LIABILITY**	**-**	-

22 **COMPARISON WITH THE BUDGET**

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexures D (1) and D (2).

		2008	2007
		R	R
23	**Cash generated by operations**		
	Reconciliation of net operating profit to cash generated in operations		
	Net operating profit/(loss)	**(10 560 726)**	(7 913 775)
	Adjusted for:		
	Depreciation	**9 463 193**	9 790 156
	Non operating income - rental received	**(435 826)**	(475 892)
	Interest earned	**(497 817)**	(310 340)
	Interest paid	**403 137**	117 057
	Adjustments in respect of previous years' operating transactions	**-**	-
	Decrease in capital replacement reserve	**9 748 837**	5 530 307
	Prior year adjustments to reserves	**-**	-
	Changes in working capital:		
	(Decrease)/Increase in inventory	**(15 481)**	(20 267)
	(Decrease)/Increase in accounts receivable	**(4 677 248)**	6 765 927
	(Decrease)/Increase in accounts payable	**862 009**	(8 158 668)
		4 290 078	5 324 505
24	**CASH AND CASH EQUIVALENTS**		
	Balance at the beginning of the year	**417 926**	791 547
	Balance at the end of the year	**(195 040)**	417 926
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(612 966)**	(373 621)

	2008	2007
	R	R

25 CHANGE IN ACCOUNTING POLICY- IMPLEMENTATION OF GAMAP/GRAP

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GAMAP: -

25.1 Statutory Funds

Balance previously reported: -		
Revolving Fund	-	-
Trust Fund	-	-
Total	-	-
Implementation of GAMAP		
Transferred to the Capital Replacement Reserve	-	-
Transferred to the Capitalisation Reserve	-	-
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)	-	-
Transferred to the Housing Development fund	-	-
Transferred to the Covernment Reserves	-	-
Transferred to the Donation and Public contribution reserves	-	-
Total	-	-

25.2 Loans Redeemed and Other Capital Receipts

Balance previously reported		
Implementation of GAMAP		
Transferred to Government Grant Reserve	-	-
Transferred to Donations and Public Contribution Reserve	-	-
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)	-	-
Total	-	-

25.3 Provisions and Reserves

Balance previously reported		
Infrastructure Replacement Reserve		
Tariff Equalization Reserve	N/A	N/A
Valuation Roll Reserve		
Staff Bursary Reserve		
Total		
Implementation of GAMAP		
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)		

25.4 Inventory

Balance previously reported	NIL	NIL
Implementation of GAMAP		
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)		
Water previously expensed now shown as inventory		
Write-down of spare parts to unauthoriz value		
Write-down of unsold properties to unauthoriz value		
Total		

25.5 Non-current provisions

Balance previously reported		
Implementation of GAMAP	N/A	N/A
Transferred from Accumulated Surplus/(Deficit) (see 30.8 below)		
Landfill		
Long-service		
Total		

	2008 R	2007 R
25.6 Property, plant and equipment		
Balance previously reported	0	0
Implementation of GAMAP		
Revaluation of assets - diffrence recordedto Accumulated Surplus/(Deficit) (see 30.8 below)	0	0
Total	0	0
25.7 Accumulated Depreciation		
Balance previously reported	NIL	NIL
Implementation of GAMAP		
Backlog depreciation: Community Services	0	0
Backlog depreciation: Subsidised Services	0	0
Backlog depreciation: Economic Services	0	0
Backlog depreciation: Sub Economical Housing	0	0
Backlog depreciation: Water	0	0
Backlog depreciation: Electricity	0	0
Total (debited to Accumulated Surplus/(Deficit)) (see 30.8 below)	-	-
25.8 Accumulated Surplus/(Deficit)		
Accumulated surplus at the beginning of the year	123 232 089	125 498 018
Implementation of GAMAP	1 786 584	5 647 846
Adjustments to inventory (see 30.4 above)	0	-
Excessive provisions and reserves no longer permitted (see 30.3 above)	0	-
Non-current provisions previously not □nauthoriz (see 30.5 above)	0	0
Transferred from statutory funds (see 30.1 above)	0	1 098 297
Transferred from Loans Redeemed and Other Capital Receipts (see 30.2 above)	0	6 384 432
Fair value of Property, Plant and Equipment correction (see 30.6 above)	0	0
Backlog depreciation (see 30.7 above)	0	0
Previous year adjustments	1 786 584	-1 834 883
Net Surplus/(Deficit) for the year	-10 560 726	-7 913 775
Accumulated surplus at the end of the year	**114 457 947**	**123 232 089**

26. CHANGE IN ACCOUNTING POLICY – LEVY INCOME RECOGNITION

During the year, the Municipality changed its accounting policy in respect of Regional Service Levies from the cash received basis to the payment due basis. The reason for the change in accounting policy is to comply with the requirements of GAMAP 9 on revenue recognition which requires municipalities to use the payment due basis.	N/A	N/A
The comparative amounts have been appropriately restated. The effect of this change in accounting policy is as follows: -		
Increase in Regional Services Levies and surplus/(deficit) for the year		
The effect of the change in accounting policy at the beginning of the year on the accumulated surplus/(deficit) is as follows:		

27. CORRECTION OF ERROR

During the year ended 30 June XXXX, improvements to land were erroneously expensed as repairs and maintenance: -	N/A	N/A
The comparative amount has been restated as follows: -		
Corrections of improvements to libraries expensed as repairs and maintenance		
Depreciation		
Net effect on surplus/(deficit) for the year		

	2008 R	2007 R
28. UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION		
Long-term liabilities (see Note 2)	-	2 555 542
Used to finance property, plant and equipment – at cost	-	-2 555 542
Sub- total	-	-
Cash set aside for the repayment of long-term liabilities (see note 17)	-	
Cash invested for repayment of long-term liabilities	-	-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

29. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

29.1 Unauthorised expenditure		
Reconciliation of unauthorized expenditure		
Opening balance		
Unauthorised expenditure current year	N/A	N/A
Approved by Council or condoned		
Transfer to receivables for recovery (note 16)		
Unauthorised expenditure awaiting authorisation		

Incident	Disciplinary steps/criminal proceedings
Unbudgeted expenditure	Disciplinary hearing held on X XXXX XXXX

	2008 **R**	2007 R
29.2 Fruitless and wasteful expenditure		
Reconciliation of fruitless and wasteful expenditure		
Opening balance	N/A	N/A
Fruitless and wasteful expenditure current year	-	13 070
Condoned or written off by Council	-	-
To be recovered – contingent asset (see note 40)	-	-
Fruitless and wasteful expenditure awaiting condonement		13 070

Incident	Disciplinary steps/criminal proceedings
Breach of occupational safety rules	Disciplinary hearing on X XXXX XXXX

29.3 Irregular expenditure		
Reconciliation of irregular expenditure		
Opening balance	N/A	N/A
Fruitless and wasteful expenditure current year	-	27 384
Condoned or written off by Council	-	-
Transfer to receivables for recovery – not condoned	-	-
Irregular expenditure awaiting condonement		27 384

Incident	Disciplinary steps/criminal proceedings
Theft of money	Employee suspended – SAPS case number

30. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

30.1 Councillor's arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days as at: -

30th June 2007	**Total** **R**	**Outstanding less than 90 days** **R**	**Outstanding more than 90 days** **R**
Councillors	15 955	2 108	13 847
Total Councillor Arrear Consumer Accounts	15 955	2 108	13 847

30th June 2008	**Total** **R**	**Outstanding less than 90 days** **R**	**Outstanding more than 90 days** **R**
Councillor G.P Mackay	3 313	2 139	1 174
Councillor E. Nel	1 978	1 339	639
Councillor A. Faro	3 773	1 049	2 724
Councillor J. Phillips	675	675	0
Total Councillor Arrear Consumer Accounts	9 739	5 202	4 537

During the year the following Councillors' had arrear accounts outstanding for more than 90 days

	Highest Amount Outstanding	**Ageing**
30th June 2008		
Councillor A. Faro	2 724	90 days plus
Councillor G.P Mackay	1 174	90 days plus
Councillor E.Nel	639	90 days plus

	2008	2007
	R	R

30.2 Non-Compliance with Chapter 11 of the Municipal Finance Management Act

The Municipality has developed a supply chain management policy and it was implemented on 1 July 2006.

31. COMMITMENTS

Commitments in respect of capital expenditure:		
- Approved and contracted for		
Infrastructure	4 085 000	4 353 274
Community	0	1 152 212
Heritage	0	0
Other	0	0
Housing Development Fund	0	0
Investment Properties	0	0
Total	4 085 000	5 505 486
- Approved but not yet contracted for		
Infrastructure	0	0
Community	0	0
Heritage	0	0
Other	0	0
Housing Development	0	0
Investment Properties	0	0
Total		
Commitments in respect of current expenditure:		
- Approved and contracted	187 650	0
This expenditure will be financed from:		
- External Loans	0	0
- Capital Replacement Reserve	0	0
- Government Grants	4 272 650	5 505 486
- Own resources	0	0
- District Council Grants	0	0
Total	4 272 650	5 505 486

32. RETIREMENT BENEFIT INFORMATION **N/A** **N/A**

33. CONTINGENT LIABILITY

Claim for damages **N/A** **N/A**

34. CONTINGENT ASSET **N/A** **N/A**

35. IN-KIND DONATIONS AND ASSISTANCE

The Municipality received the following in-kind donations and assistance

Description **N/A** **N/A**

- Secondment of International Finance Advisor by National Treasury for 2 years
- Development of Integrated Development Plan by donor agency

36. PRIVATE PUBLIC PARTNERSHIPS

(Record the following information to the extent possible)

- Disclose a description of the arrangement
- Set out significant terms of the arrangement that may affect the amount , timing and certainty of future cash flows
- Provide information on the nature and extent of:

1. rights to use specified assets **N/A** **N/A**
2. obligations to provide or rights to expect provisions of services
3. obligations to acquire or build items of property, plant and equipment
4. obligations to deliver or rights to receive specified assets at the end of the concession period
5. renewal and termination options
6. other rights and obligations (e.g. major overhauls)

- Describe any Changes in the arrangement occurring during the period

37. EVENTS AFTER THE REPORTING DATE **N/A** **N/A**

SIYATHEMBA LOCAL MUNICIPALITY

APPENDIX A

SCHEDULE OF EXTERNAL LOANS
AS AT 30 JUNE 2008

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 01/07/07	Received during the period	Redeemed written off during the period	**Balance at 30/06/08**	**Carrying Value of Property, Plant & Equip**	Other Costs in accordance with the MFMA
LONG-TERM LOANS			R	R	R	**R**	**R**	R
Loan @ 10%- DBSA Purchase of vehicles	25845	2009/06/30	1 600 703	-	758 720	**841 983**	-	-
Loan @ 10%-ABSA Bank - Resurfacing of roads	3009634209	2009/11/19	599 285	-	222 120	**377 165**	-	-
Loan @ 12.00%-ABSA Bank - Upgrading Electricity	3010141463	2010/04/30	355 554	-	109 646	**245 908**	-	-
Total long-term loans			2 555 542	0	1 090 486	**1 465 056**	-	-

APPENDIX B

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30 JUNE 2008

	COST				**Accumulated Depreciation**				**Carrying**
	Opening balance	Additions	Disposals	**Closing balance**	Opening balance	Depreciation	Disposals	**Closing balance**	**Value**
Land and Buildings									
Land	8 045 450		109 563	**7 935 887**	1 370 481	-	1 370 481	-	**7 935 887**
Buildings	10 482 627	-	-	**10 482 627**	1 780 327	350 455	-	**2 130 782**	**8 351 845**
Subtotal	18 528 077	-	109 563	**18 418 514**	3 150 808	350 455	1 370 481	**2 130 782**	**16 287 732**
Infrastructure									
Drains	-	-	-	-	-	-	-	-	-
Roads	55 221 306	-	-	**55 221 306**	20 178 730	4 071 207	-	24 249 937	30 971 369
Sewerage Mains & Purif	1 210 227	4 301 723	-	**5 511 950**	367 356	182 028	-	549 384	4 962 566
Cleansing	30 243 149	-	-	**30 243 149**	7 106 644	1 555 413	-	8 662 057	21 581 092
Electricity	10 355 051	-	-	**10 355 051**	2 745 800	538 416	-	3 284 216	7 070 835
Electricity Peak Load Equip	-	-	-	-	-	-	-	-	-
Water Mains & Purification	-	-	-	-	-	-	-	-	-
Reservoirs – Water	-	-	-	-	-	-	-	-	-
Water Meters	-	-	-	-	-	-	-	-	-
Water	48 211 381	-	-	**48 211 381**	12 057 894	2 432 802	-	14 490 696	33 720 685
Subtotal	145 241 113	4 301 723	-	**149 542 836**	42 456 424	8 779 866	-	**51 236 290**	**98 306 546**

APPENDIX B - CONTINUE

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30 JUNE 2008

	COST				Accumulated Depreciation				Carrying
	Opening balance	Additions	Disposals	**Closing balance**	Opening balance	Depreciation	Disposals	**Closing balance**	**Value**
Community Assets									
Parks & Gardens	170 004	-	-	**170 004**	128 202	31 790	-	159 992	10 012
Libraries	884 553	-	-	**884 553**	149 930	29 485	-	179 415	705 138
Recreation Grounds	2 908 712	-	-	**2 908 712**	613 578	90 457	-	704 035	2 204 677
Civic Buildings	-	-	-	-	-	-	-	-	-
Subtotal	3 963 269	-	-	**3 963 269**	891 710	151 732	-	**1 043 442**	**2 919 827**
Housing									
Sub Economical Housing	1 692 790	-	-	**1 692 790**	286 938	56 429	-	**343 367**	**1 349 423**
	-	-	-	-	-	-	-	-	-
Subtotal	1 692 790	-	-	**1 692 790**	286 938	56 429	-	**343 367**	**1 349 423**

APPENDIX B - CONTINUE

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30 JUNE 2008

	COST				Accumulated Depreciation				Carrying
	Opening balance	Additions	Disposals	**Closing balance**	Opening balance	Depreciation	Disposals	**Closing balance**	**Value**
Other Assets									
Cemetery	3 000	-	-	**3 000**	509	100	-	**609**	**2 391**
Office Equipment	993 956	91 190	-	**1 085 146**	934 301	76 264	-	**1 010 565**	**74 581**
Furniture & Fittings	272 372	-	-	**272 372**	266 579	5 793	-	**272 372**	**-**
Fire Brigade	62 000	-	-	**62 000**	24 712	4 696	-	**29 408**	**32 592**
Emergency Equipment	-	-	-	**-**	-	-	-	**-**	**-**
Motor vehicles	-	-	-	**-**	-	-	-	**-**	**-**
Traffic	328 984	-	-	**328 984**	291 126	37 858	-	**328 984**	**-**
Refuse tankers	-	-	-	**-**	-	-	-	**-**	**-**
Computer equipment	-	-	-	**-**	-	-	-	**-**	**-**
Councillors Regalia	-	-	-	**-**	-	-	-	**-**	**-**
Conservancy tankers	-	-	-	**-**	-	-	-	**-**	**-**
Watercraft	-	-	-	**-**	-	-	-	**-**	**-**
Subtotal	1 660 312	91 190	-	1 751 502	1 517 228	124 711	-	1 641 938	109 564
Total	**171 085 561**	**4 392 913**	**109 563**	**175 368 911**	**48 303 108**	**9 463 193**	**1 370 481**	**56 395 820**	**118 973 091**

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30 JUNE 2008

	COST				Accumulated Depreciation				Carrying
	Opening balance	Additions	Disposals	**Closing balance**	Opening balance	Depreciation	Disposals	Closing balance	**Value**
Executive & Council	-	-	-	**-**	-	-	-	**-**	**-**
Finance & Admin	1 021 181	91 190	-	**1 112 371**	249 270	82 057	-	**331 327**	**781 044**
Planning & Development	-	-	-	**-**	-	-	-	**-**	**-**
Health	-	-	-	**-**	-	-	-	**-**	**-**
Community & Social Services	78 462 727	-	109 563	**78 353 164**	25 600 150	4 616 048	1 370 481	**28 845 717**	**49 507 447**
Public Safety	-	-	-	**-**	-	-	-	**-**	**-**
Sport & Recreation	-	-	-	**-**	-	-	-	**-**	**-**
Environmental Protection	-	-	-	**-**	-	-	-	**-**	**-**
Waste Management	31 279 026	4 301 723	-	**35 580 749**	7 257 849	1 737 441	-	**8 995 290**	**26 585 459**
Road Transport				**-**				**-**	**-**
Water	48 274 786	-	-	**48 274 786**	12 163 101	2 432 802	-	**14 595 903**	**33 678 883**
Electricity	10 355 051	-	-	**10 355 051**	2 745 800	538 416	-	**3 284 216**	**7 070 835**
Other - Housing	1 692 790	-	-	**1 692 790**	286 938	56 429	-	**343 367**	**1 349 423**
TOTAL	171 085 561	4 392 913	109 563	**175 368 911**	48 303 108	9 463 193	1 370 481	**56 395 820**	**118 973 091**

SIYATHEMBA LOCAL MUNICIPALITY

APPENDIX D

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2008

2007 Actual Income R	2007 Actual Expenditure R	2007 Surplus/ (Deficit) R		2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus/ (Deficit) R
510 281	1 286 329	(776 047)	Executive & Council	**835 794**	**2 176 923**	**(1 341 129)**
7 714 468	7 048 765	665 704	Finance & Admin	**8 379 841**	**10 491 695**	**(2 111 853)**
20 772	6 619 535	(6 598 763)	Planning & Development	**12 525**	**7 018 214**	**(7 005 689)**
-	-	-	Health	-	-	-
19 446	313 891	(294 445)	Community & Social Services	**317 197**	**448 687**	**(131 489)**
-	-	-	Housing	-	-	-
386 667	734 489	(347 822)	Public Safety	**811 967**	**1 130 454**	**(318 487)**
18 394	840 376	(821 982)	Sport & Recreation	**13 009**	**801 265**	**(788 256)**
-	-	-	Environmental Protection	-	-	-
6 010 301	6 098 859	(88 558)	Waste Management	**11 055 044**	**8 606 793**	**2 448 251**
		-	Road Transport	-	-	-
4 882 577	5 304 100	(421 523)	Water	**5 142 214**	**6 842 747**	**(1 700 533)**
5 063 684	4 293 757	769 927	Electricity	**5 187 820**	**4 799 360**	**388 460**
-	-	-	Other	-	-	-
24 626 590	32 540 101	(7 913 511)	Sub Total	**31 755 411**	**42 316 137**	**-10 560 726**
1 982 812	1 983 076	(264)	Less Inter-Dep Charges	-	-	-
26 609 402	34 523 177	(7 913 775)	**Total**	31 755 411	42 316 137	-10 560 726

SIYATHEMBA LOCAL MUNICIPALITY

APPENDIX E (1)

ACTUAL VERSUS BUDGET: REVENUE AND EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2008

	2008 Actual (R)	2008 Budget (R)	2008 Variance (R)	2008 Variance (%)
REVENUE				
Property rates	3 974 855	4 801 300	(826 445)	-0.17
Property rates - penalties imposed and collection charges	91 189	-		
Service charges	13 402 651	13 496 924	(94 273)	-0.01
Rental of facilities and equipment	435 826	469 000	(33 174)	-0.07
Interest earned - external investments	147 958	17 900	130 058	7.27
Interest earned - outstanding debtors	497 817	470 000	27 817	0.06
Fines	60 620	65 000	(4 380)	-0.07
Licences and permits	751 347	730 500	20 847	0.03
Government grants and subsidies	12 242 992	9 172 001	3 070 991	0.33
Other income	150 156	2 132 710	(1 982 554)	-0.93
Public contributions, donated/contributed PPE	-	-	-	0.00
Interdepartmental Charges	-	-	-	0.00
Total Revenue	**31 755 411**	**31 355 335**	**308 887**	**0.01**
EXPENDITURE				
Executive & Council	2 176 923	727 500	1 449 423	1.99
Finance & Admin	10 491 695	12 183 268	(1 691 573)	-0.14
Planning & Development	7 018 214	17 700	7 000 514	395.51
Health	-	-	-	0.00
Community & Social Services	448 687	493 500	(44 813)	-0.09
Housing	-	-	-	0.00
Public Safety	1 130 454	795 500	334 954	0.42
Sport & Recreation	801 265	15 000	786 265	52.42
Environmental Protection	-	-	-	0.00
Waste Management	8 606 793	6 695 623	1 911 170	0.29
Road Transport	-	-	-	0.00
Water	6 842 747	5 206 444	1 636 303	0.31
Electricity	4 799 360	5 220 800	(421 440)	-0.08
Other	-	-	-	0.00
Less Inter-Departmental Charges	-	-	-	0.00
Loss on disposal of property, plant and equipment	-	-	-	0.00
Total Expenditure	**42 316 137**	**31 355 335**	**10 960 802**	0.35
NET SURPLUS/(DEFICIT) FOR THE YEAR	**(10 560 726)**	**-**	**11 269 689**	**0.00**

APPENDIX E (2)

ACTUAL VERSUS BUDGET: ACQUISITION OF PROPERTY,PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30 JUNE 2008

	2008 Actual	2008 Under Construction	2008 Total Additions	2008 Budget	2008 Variance	2008 Variance
	R	R	R	R	R	%
Executive & Council	-	-	-	-	-	0.00
Finance & Admin	91 190	-	91 190	-	91 190	0.00
Planning & Development	-	-	-	-	-	0.00
Health	-	-	-	-	-	0.00
Community & Social Services	-	-	-	-	-	0.00
Public Safety	-	-	-	-	-	0.00
Sport & Recreation	-	-	-	-	-	0.00
Environmental Protection	-	-	-	-	-	0.00
Waste Management	4 301 723	-	4 301 723	-	4 301 723	0.00
Road Transport			-	-	-	0.00
Water	-		-	-	-	0.00
Electricity			-	-	-	0.00
Other	-	-	-	-	-	0.00
TOTAL	**4 392 913**	**-**	**4 392 913**	**-**	**4 392 913**	**0.00**

AANHANGSEL F/APPENDIX F

FOR THE YEAR ENDED 30 JUNE 2008

	2007/2008	2006/2007	2005/2006
Algemene Statistiek/General Statistics			
Bevolking/Population			
Geregistreerde Kiesers/Registered Voters			
Oppervlakte (Km)/Area (Km)	142 059 555	142 059 555	-
Totale Waardasies/Total Valuations:	146 588 779	141 637 510	128 142 056
- Belasbaar/Taxable (R'000)	127 403 199	123 356 575	117 650 016
- Nie-belasbaar/Non-taxable (R'000)	19 185 580	17 161 260	20 492 040
- Residensieel/Residential (R'000)	83 791 960	72 589 650	79 258 255
- Kommersieel/Commercial (R'000)	20 622 480	11 749 581	12 817 146
Waarderingsdatum/Valuation date: 1 Julie 2000	2000/07/01	2000/07/01	2000/07/01
Aantal persele/Number of erven:	4 394	4 363	4 357
- Residensieel/Residential	3 493	2 417	3 241
- Kommersieel/Commercial	111	77	112
Belastingkoers/Assessment Rate			
- Basies/Basic (per rand)	R 0,029196	R 0,027648	R 0,02765
- Korting: Residensieel (Slegs Staat)/Discount: Residential (Only Govt)	20%	20%	20%
Aantal Werknemers/Number of Employees	134	130	132
Elektrisiteit Statistiek/Electricity Statistics			
Eenhede (kWh) aangekoop ('000)/Units (kWh) purchased	12 366 908	12 183 951	12 188 998
Eenhede (kWh) verkoop ('000)/Units (kWh) sold ('000)	9 976 290	9 857 731	9 144 203
Eenhede (kWh) verlore gegaan met verspreiding/	2 390 618	2 326 220	3 044 795
Units (kWh) lost with distribution			
Persentasie verlies met verspreiding/Persentation loss	19.33%	19.00%	24.97%
Koste per eenheid verkoop/Cost per unit sold-Basic Convensional	96.49		
Koste per eenheid verkoop/Cost per unit sold-Basic Bussiness	244.91		
Koste per eenheid verkoop/Cost per unit sold in cent-Prepaid	0.5093		
Koste per eenheid verkoop/Cost per unit sold in cent-Convensional	0.3365		
Koste per eenheid verkoop/Cost per unit sold in cent-Bussiness	0.3024		
Water Statistiek/Water Statistics			
Kl gepomp/Kl pumped	1 297 819	1 576 050	1 586 325
Kl verkoop/Kl sold	1 100 310	1 273 404	1 209 309
Kl verlore gegaan met verspreiding/Kl distribution loss	197 509	302 646	377 016
Persentasie verlies met verspreiding/Persentation loss	15.22%	19%	24%
Koste per Kl verkoop/Cost per Kl sold-Basic	31.02		
Koste per Kl verkoop/Cost per Kl sold-0-6kl	2.32/kl		
Koste per Kl verkoop/Cost per Kl sold-7-12kl	2.47/kl		
Koste per Kl verkoop/Cost per Kl sold-13-50kl	2.80/kl		
Koste per Kl verkoop/Cost per Kl sold-50-150kl	3.11/kl		
Koste per Kl verkoop/Cost per Kl sold-150+kl	3.88/kl		